In the High Court of Judicature at Madras

Dated : 23.1.2025

Coram :

The Honourable Ms.Justice P.T.ASHA

<u>Writ Petition Nos.1471 & 1472 of 2025</u>

Newtech Auto Components Pvt. Ltd., rep.by Mr.S.Raja Managing Director ...Petitioner in WP.No.1471 of 2025

1.Mr.S.Raja
2.Mr.V.Anandan ...Petitioners in WP.No.1472 of 2025

Vs

1.The Inspector General of Registration, Santhome High Road, Mylapore, Chennai-4.

2.The District Registrar (Administration), Chennai-South, Saidapet, Chennai-15.

3.The Sub-Registrar, K.R.Puram, Padappai-601301.

4.The Liquidator of M/s.Krishna Energy Private Limited, Chennai-4. ...Respondents in both WPs

PETITIONS under Article 226 of The Constitution of India praying for the issuance of Writs of Mandamus directing the third respondent to file the sale certificates dated 02.9.2024 in book 1 maintained by the third respondent, forwarded by the fourth respondent in the true letter and spirit of Section 89(4) of the Registration Act, 1908 without insisting stamp duty except 1% registration fees issued by the fourth respondent and release the same with regular number.

For Petitioners in both cases	:	Mr.J.Sathish Senthil Kumar
For R1 to R3 in both cases	:	Ms.C.Meera Arumugam, AGP

COMMON ORDER

The writ petitions have been filed seeking a Mandamus to the third respondent to file the sale certificates dated 02.9.2024 in book 1 without insisting upon the payment of stamp duty.

2. Heard the learned counsel for the petitioners and the learned Additional Government Pleader accepting notice for respondents 1 to 3 in both the writ petitions.

3. The case of the petitioners is as follows :

(i) Both the petitioner company as well as the two individuals are the auction purchasers of two properties of the factory premises at the

SIDCO Industrial Estate, Thirumudivakkam, Chennai-44 pursuant to the auction conducted by the fourth respondent. The properties involved were originally belonging to one M/s.Krishna Energy Private Limited, which was ordered to be wound up on 06.1.2022 by the National Company Law Tribunal, Chennai. Pursuant to that, the fourth respondent was appointed as the Liquidator of the said M/s.Krishna Energy Private Limited.

(ii) Thereafter, the petitioners submitted their expression of interest dated 20.12.2022 to purchase the properties followed by an endorsement made on 28.12.2022. They also made an earnest deposit of Rs.5 Crores on 23.12.2022. Further, time for payment of balance sale consideration was fixed as 12.4.2023. Thereafter, the fourth respondent confirmed the bid and also the sale. Subsequently, the fourth respondent issued the consolidated sale certificates dated 15.4.2023. However, at the instance of the petitioners, the fourth respondent issued two individual sale certificates both dated 02.9.2024 and thereafter forwarded the same to the third respondent to file the same in book 1 under Section 89(4) of the Indian Registration Act, 1908.

(iii) On 11.9.2024, the petitioners also paid 1% registration fee as demanded by the third respondent. But, the third respondent informed the petitioners that the sale certificates could not be filed under Section 89(4) of the Indian Registration Act, 1908 and further directed the petitioners to pay 7% stamp duty and 4% registration charges over and above the sale consideration in order to to take back the sale certificates after registration. Even after continuous efforts, the petitioners could not get the sale certificates filed in book 1 maintained by the third respondent. Hence the writ petitions.

4. This Court has carefully considered the submissions of the learned counsel on either side and perused the materials available on record.

5. In the considered view of this Court, the reluctance on the part of the third respondent to register the sale certificates under Section 89 of the Registration Act would, prima facie, amount to contempt of the various orders passed by the Hon'ble Supreme Court as well as this Court wherein it has been held that the registration contemplated under Section 89(4) of the Registration Act is only for the purpose of filing and therefore, it does not attract stamp duty nor registration fees. The conduct of the third respondent is in contra distinction to the registration contemplated under the Registration Act.

Further, the fourth respondent is also a Revenue Officer for the purpose of Section 89 of the Registration Act.

6. Useful reference can be made to the decision of the Hon'ble Supreme Court in the case of ***Inspector General of Registration & another Vs. G.Madhurambal & another [reported in 2022 SCC Online SC 2079]*** and the latest judgment of the Supreme Court in the case of ***State of Punjab Vs. M/s. Ferrous Alloy Forgings Pvt. Ltd. [Civil Appeal No.12527 of 2024 dated 19.11.2024].***

7. In the light of the above, the third respondent cannot insist upon payment of stamp duty nor the registration fee for a mere filing under Section 89(4) of the Registration Act.

8. Accordingly, the writ petitions are allowed and the third respondent is directed to register the sale certificates both dated 02.9.2024 issued by the fourth respondent within a period of two weeks from the date of receipt of a copy of this order. No costs. The Additional Government Pleader is entitled to separate fees in both the cases.

23.1.2025

P.T.ASHA,J

RS

To
1.The Inspector General of
Registration, Santhome
High Road, Mylapore,
Chennai-4.

2.The District Registrar
(Administration),
Chennai-South, Saidapet,
Chennai-15.

3.The Sub-Registrar, K.R.Puram,
Padappai-601301.

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